



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

## VI.

# THE OUTLOOK.

---

THE Republican party had no leaders. It looked up to great and earnest men, but it had no half-dozen leaders. Wade, Chase and Giddings, Stevens and Cameron, Seward and Greeley, Lincoln, Sumner, Stanton, Andrew, Wilson, Hale and Fessenden, Palfrey and Adams, were equals; no one, or three of them, claimed precedence. The cement of the party was a principle; not any idolatry, like that which made the Whig cling to and echo Webster and Clay. The men who created the Republican party were men of convictions. They sought, more or less directly, but in dead earnest, to limit and kill slavery. The men whom the Republican party has created are not men of convictions. They seek only to use for party or personal ends the power they have inherited.

Lacking its old cement—a great purpose—the party is falling to pieces, like bowlders from a wall without mortar. Its managers have been so dull and timid in using their great victory, they have so wasted their opportunities, that they have suffered the Southern question—their whole capital—to fall prematurely into abeyance. On their own theory they stand to-day with no *raison d'être*, no excuse for their existence. Their strength lay in a public opinion well informed as to Southern purpose and the nature of Southern civilization, and watchful of the possible reaction from its sore defeat. The events of the ten years before the war were what taught and trained that opinion. But a generation has come upon the stage since. The active young men, the van of party movement, were then in their cradles. They knew nothing of those events as they took place, and the history of them is not yet written. We have heard more than one man, twenty-five years old, ask, with natural ignorance, “Was there ever a mob in Boston, and what was it about?”

Aware how slowly such a conspiracy as that of the South surrenders the hope of success, it was the Republicans' duty to keep alive at white heat this lesson and vigilance born of the war and the years that preceded it. Instead of this they have, on system, sought to dull those impressions and preach forgetfulness, while constantly lowering party feeling and purpose by personal squabbles and debates on trifles. One by one the men of convictions passed away, leaving ambitious intriguers in their seats.

Meanwhile, these are confronted by a party of convictions—the South—false and devilish convictions, but still earnest ones. The Republicans hold to-day the same relation to the rehabilitated South that the Whigs did to Free-Soilers in 1849. There were only two distinct points in the moral heavens of 1849: one was Calhoun, the other was Garrison. Clay and Webster shirked Calhoun, not daring to face him. Garrison met him squarely, face to face; and, when Wade and Sumner entered the Senate in 1851, the wires of Calhounism and Garrisonism were joined and the war began.

The South rules to-day in Congress rightfully. In the long-run brains rule, but in critical moments courage rules. Though the North is the abler section, the South has the courage of conviction, and, lion-like, never waits to count the sheep. What the South will finally do with her victory possibly even Southern men themselves do not now know. She waits on events. It is fair to confess that she has more than courage. She has the wit to see and quickness to seize opportunities. She never mistakes her men. She knew Andrew Johnson, and reached him by assassination. He was a character easy of explanation. Poverty and birthplace, race and the giddiness begot by success, fully explain him. But Hayes, the gift Northern blundering has made to the South, is a phenomenon hard to explain. No ordinary amount of folly or wickedness will account for him, and he is of too narrow capacity to justify us in attributing his course to any large design. But, sphinx or otherwise, he has served to hold the stirrup for the South to vault into the saddle.

The first step in her plan and progress is clear enough. The negro enfranchised has added largely to her political strength. With Hayes's aid she has practically disfranchised the negro, and now the white aristocracy wields this whole increased power;

this she knows and feels. The insolent speech which Senator Gordon lately flung at Boston dough-faces, if read between the lines, frankly confesses this. Place that beside the letter from Mr. Jefferson Davis, read at the Macon celebration, and the two reveal clearly the unchanged determination of the South to rule, as heretofore, by an oligarchy built up within the Union, or secure outside of it.

But the keenest suffering at the South to-day does not come from the chagrin of defeated hopes. It is real, naked, pitiable poverty, which presses on classes once wealthy. Her first effort, the first use of her new power, will be to draw money to her section. There is a superfluous article in the Constitution which forbids the payment of the Confederate debt. There will be no such attempt. That debt is mostly held abroad. The South is never anxious to pay any debts, least of all debts due to other nations or communities. But she will bend all her energies to secure payment of claims which directly enrich her own citizens. To create such and fasten them on the national Treasury will be her first effort. That Confederate soldiers will soon receive the same pensions as our own veterans seems a foregone conclusion.

The vast amount of Southern claims, in different forms, now registered at Washington, is the first line of this assault. Whether Republican or Democrat rules, these claims will, most of them, be paid, unless they promptly rouse such indignation and provoke such resistance at the North as do not seem now likely to arise. The effect of more than doubling the national debt any one can calculate. One good result would probably follow. The South, then interested equally with the North in the national indebtedness, would frown on any mad counsel of repudiation from her own quarter, and resist such from the North, if, maddened by this unjust burden, any Northern party should propose interference in any way with the public debt.

Mr. Potter's plan of investigation no doubt contemplates an attempt to put Tilden into the Executive chair. There is ample reason for the movement on the part of Mr. Tilden's friends. He may well doubt his chance of succeeding Mr. Hayes. The next President will be obliged to stand on a soft-money platform. Though Mr. Tilden would be ready to do that, to secure the presidency, the clique which supports him and makes his strength

could not be so transferred. If Mr. Tilden is ever to be President, his only chance seems to be that of filling the rest of Mr. Hayes's term. Besides, to wield the Executive patronage for the remaining half of that term would insure a Democratic succession. There are now three chances out of four of such a succession. But, while the slip and lip remain so proverbially connected, it is well to take a bond of fate, and run no risks.

Whatever be the result of Mr. Potter's investigation, his victory shows that the prudent men of the South are driven headlong, incapable of the least resistance, to dangerous courses by the worst elements of the Northern Democracy and by their own mad followers at home. The pretty speeches of Lamar and Gordon, even if not absolute hypocrisy, are only drops of rose-water flung on the mad surface of Southern hate. What was Stephens's protest, or Lamar's opinion on the Silver Bill, or Gordon's on resumption, when their constituents growled dissent? Mere chips on Niagara. Mr. Potter's success shows that when once in the saddle the old Bourbon South will rule, and either warp the nation to her reactionary mood, or drive the North off by provoking her to secede. If the Southern leaders can manage their followers, they will never again leave the Union. To rule inside of it with such rigor, or wrench it to such injustice as will place the North under their feet, or drive it out—this is the lesson learned at Appomattox.

The South will never again voluntarily take up arms against the Union. But Mr. Potter's success reveals that, nevertheless, such madness is within the possible future. This constitutes the real value of the transaction, the revelation it makes of the condition of the solid South; its continued vassalage to the reckless and dangerous class, which, in 1861, dragged a timid and reluctant aristocracy, and their footstool—the Northern Democrat—into rebellion. At any moment another gun fired at Sumter may plunge the nation into war.

It is waste of time to point us to the words of Southern men. With every affirmation in their history falsified, every pledge deliberately broken, how can the most partial friend of the South ask any man to put faith to-day in the statement or promise of Southern white men? Their whole civil life has been a transparent hypocrisy. The words justice, order, equality, toleration,

liberty, are not used by them in the sense in which the civilized world accepts them. Even Calhoun, on every subject except slavery one of the most pure, sincere, and honest of our statesmen, the moment he spoke of the negro, stooped to equivocate and falsify. The gross mistakes and intentional misstatements of the census of 1840 had been brought to his notice, both officially and otherwise; yet, with shameless effrontery, he paraded them in an official document, meant for European eyes, as well-established and acknowledged facts.

No matter with what oath of loyalty you bind the South, experience warns the most sanguine optimist that no thoughtful man can feel sure that one flag will rule this belt of the continent fifty years hence. Any man who desires that it should must seek to gain time. In time the elements of modern civilization—wealth, industry, toleration, order, law, education, manners, sense of honor, and habit of speaking the truth—will invade and slowly permeate the barbarism of the South, remodeling her into conformity to the nineteenth century. If rash and revolutionary attempts can be postponed long enough, there is a fair chance that the States east of the Mississippi may remain for another century one nation.

The guarantee of the Union was the presence in the South of six million blacks with their million votes. They were the natural, hearty, and inalienable allies of the North and the Union. In their presence there God gave us an indestructible defense and permanent guarantee of the Union. They needed no argument and no appeal. Centuries of oppression had taught them where their safety lay. Fairly treated and recognized, they would have been a bulwark against which Southern plot and violence would have alike harmlessly broken for a century to come. It did not seem possible that any folly could be so gross as to sacrifice such an alliance. They have clung to the Republican party, in the face of starvation and death, as no other class could have done. Taught by long experience that their old masters were inevitably hypocrites whenever and wherever the black man was concerned, grateful to the Union for liberty, they have refused to believe the duplicity of the Republican party, or see its pitiable weakness. But human nature must, in the long-run, sink to the control of self-interest. It ought to be no surprise if soon the

negro, poor, landless, and deserted by the North, should see how weak he is by the side of the white race near by. Then one portion, terrified and in despair, will stay away from the polls; another, needing bread, or blinded, as half the North is, and the other half pretends to be, by Southern profession, will swell the Democratic vote. If the Union lasts, the negro will be its savior and cement. If the Union is broken, posterity will never cease to wonder at the incredible folly which flung away and alienated its only and natural ally.

While the Republican party has allowed the Southern question to fall into abeyance, it is confronted by another issue, which it has not had statesmanship enough either to conciliate or to use. This is finance. It is not too much to say that the question which most keenly interests three men out of five, and possibly three men out of four, is finance. On this the South and West are natural allies and closely wedded: the ruling class at the South is wretchedly poor, and her first interest is how to get relief; the West lacks capital to open her hidden resources. This she can get only from the East at ruinous rates of interest. This bondage she seeks to break. The Southern question, which held right and wrong in its grasp, appealing to the manhood and rousing the enthusiasm of men, properly treated, might have delayed this material question for some years. The moment men, supposed to be statesmen, proclaimed that lofty hour ended, the mass naturally sunk to the care of their material interests. When Senators and journals ridiculed the "Bloody Shirt," they laughed their power away, as Cervantes did the manhood of Spain.

Common prudence would have been quick to seize this new weapon of finance. Henry Wilson's keen eye, careful only for success, confessed this, the summer before he died. Speaking of the first issue joined on finance, in the Ohio election of 1875, when the Democratic party seized this question, he said to us: "It is a great mistake; *we* should have started the greenback cry; how ruinous to let the Democrats get ahead of us!" If wise counsels had prevailed, this issue might for some time have been delayed. But, once afoot, it will crowd all others out.

The Democratic party, which is only the South's servant, or the South itself in another dress, has taken eager possession of it. The speed with which the leaders surrender the old dogmas

of the party on specie and fall into line with the Greenback men, shows how strong such leaders think the new force is. They are sharp bidders for the new party's support. But it need be no surprise if we soon see the Republicans contending in the same race, and accepting a large portion of the platform of the rising power. Their waste of former chances, the mournful folly with which they slatterned away the noblest opportunity the age has given to mould a nation righteously for years to come, forbids us to be surprised at any mulish or short-sighted mistake. But, should they be wise in time, the participation by both the great parties in the movement to remodel finance might possibly delay the formation of any new party, and lift Grant a third time into the presidency.

As matters stand to-day, with no keen interest in any question except finance, the South has the choice of the next President. Conciliating the West by her concurrence on finance, she holds all the cards. Unless a radical change is wrought in the coming year, a Western Democrat on a soft-money platform will be the next President, and some Southern Confederate leader, civil or military, will be Vice-President. Such do we consider the strength of this new financial issue if left unchallenged.

Misrepresented and vilified by the Eastern press in a style that betrayed its lack of argument and its insincerity, the greenback issue has rapidly gained strength by force of its truth and necessity. The convention at Toledo, and the several State conventions, have been larger and made of men as respectable in character and intellect as those who launched the Free-Soil party at Buffalo and elsewhere. There are a score of causes that contribute to the present distress; and there are double the number of theories which claim to be remedies for these evils: but there is a substantial agreement among the millions who call themselves Greenbackers. They claim that the Government shall issue all the bill or note currency; that it shall be made of paper; be legal tender for all debts, public and private, and, at present, most of them claim that it shall be convertible into a Government bond bearing a low rate of interest.

Whether that interest shall be paid in gold or not, and whether the amount of currency shall be regulated automatically, or by some direct act of the Government; whether a lower rate



of interest shall be secured by direct loans from the State, or may possibly come from more abundant money—there is a wide difference of opinion.

The new party is a unit in denying both the justice and the policy of resumption. Resumption changes, by statute, the relations between creditor and debtor. In the stress of war, when self-preservation is the highest law, Government may make any change in those relations, as it rightfully did when it first issued greenbacks. But, in profound peace, what right has Government, in deference to the theories of any clique, to enact a law for the sole and specific purpose of making every debt a heavier burden, and leaving the creditor richer than he was before?

The Greenbackers guide their feet by the light of experience. The ruin which Ricardo regretted to have brought on his country is warning enough for them against another such crime. They accept the verdict of English statesmen as Greville records it, familiar and intimate as he was with all of them ("Journals of George IV. and William IV.," vol. ii., p. 145):

"If we look back through the long course of Peel's life, and inquire what have been the great political measures with which his name is particularly connected, we shall find, first, the return to cash payments, which almost everybody now agrees was a FATAL MISTAKE, though it would not be fair to visit him with extraordinary censure for a measure which was sanctioned by almost all the great financial authorities."

In the great debate of 1830 the resumption act of 1819 was mercilessly attacked. Mr. Western, one of the Tory leaders, styled it "one of the most mischievous measures that was ever devised for the destruction of a nation." Peel stood alone amid the storm. Mr. R. B. Pullan, of Cincinnati, has aptly cited the piteous appeal he made to the forbearance of his ruined countrymen:

"He expressed his willingness to abandon the opinions to which he was supposed to be unalterably pledged, if benefit would result. But he was convinced, if any error had been committed in establishing the system, we should only be exposed to *still greater evils* than those we had suffered by again doing anything to unsettle the currency of the country."

The Greenback party demands that Government shall issue all the note-currency. The power over the currency is too great a one to be trusted to private corporations. In the memorable debate of the Commons, 1819, Ricardo said bank-directors regulate currency and so fix prices, "a most formidable power;" and Calhoun (October 3, 1837) says, "This power puts our destinies in their hands." Again (September 19, 1839), he warns us of this peril. Jefferson writes to Eppes (June 24, 1813), "Bank-paper must be suppressed, and the circulation restored to the nation, to whom it belongs."

The Greenback party has come to the conclusion that there is no need to tie the currency to specie. Paper answers every purpose. The plan and notion of a specie basis, at any rate in this country, has always been a sham. Mr. Sears, of New Jersey, well styled it "bankruptcy organized." A New York bank president, the late John Earl Williams, said the attempts of banks of issue and deposit to keep to specie "always have been, and, in the nature of things, always must be, a failure." It is only a device to enslave the money-market to what Chatham called "the cannibals of 'Change Alley." Nearly a hundred years ago, Franklin declared that, where two nations had the same basis for currency, the debtor nation would be the slave of its creditor—a statement of which Boutwell felt the truth when, on his proposing to bring home from London twenty or thirty millions of gold belonging to the United States, the Bank of England prevented it by threatening, if he did so, that they would cripple every bank in New York. Mr. H. C. Carey has saved for us an instructive anecdote:

"In 1838, Mr. Albert Gallatin, then President of the North American Bank, of New York, at a convention of bank presidents, said pleasantly, but yet most truly, 'We all know that, while a bank-note bears upon its face a promise to pay the amount of its denomination in coin, it carries with it the implied condition that it be not asked for.'"

To the lady who told her chair-maker that all his new chairs broke down, he answered, in the exact tone of a specie-basis advocate, "Why, madam, I think your friends must have actually sat in them!"

Sir John Lubbock found that only fifty cents of coin were

used in a hundred dollars' worth of business. Prof. Jevons says the whole fabric of England's vast commerce rests on the improbability that her merchants will ever want, at one time, one-twentieth part of the gold they have a right to demand. He also states that, before checks were used in the London clearing-house, fifteen million dollars of debt were settled by the use of one million dollars of bank-bills and one hundred dollars of coin!

England and France—the two nations to which gold naturally and almost inevitably runs, since they are creditor states—have been obliged to resort to paper currency upon every emergency. The specie Bank of England, since she was remodeled in 1844, has thrice been obliged to beg the Government to save her from suspension. If England, the richest nation in the world, the reservoir and refuge of coin, cannot, without subterfuge, support one specie-paying bank in London, the world's business centre, how can we expect to hoard gold enough to form a real basis for two thousand banks scattered over a continent? Franklin ("Works," vol. iv., p. 82) says:

"Paper-money, well founded, has great advantages over gold and silver, being more light and convenient for handling large sums, and not likely to have its volume reduced by demands for exportation. No method has hitherto been formed to establish a medium of trade equal in all its advantages to bills of credit made a general legal tender."

Even Ricardo, the high-priest of the bullionists, the father of the present British system, says:

"A regulated paper currency is so great an improvement in commerce that I should greatly regret if prejudice should induce us to return to a system of less utility. The introduction of the precious metals for the purposes of money may with truth be considered as one of the most important steps toward the improvement of commerce and the arts of civilized life. But it is no less true that, with the advancement of knowledge and science, we discover that it would be another improvement to banish them again from the employment to which, during the less enlightened period, they had been so advantageously applied" ("Works," by McCulloch, p. 404).

"It is not necessary that paper-money should be payable in specie to secure its value; only that its quantity should be regu-

lated according to the value of the metal which is declared to be the standard " (Ricardo's " Plan for Extinction of Bank-Notes ").

It seems conceivable that this " regulation " might be secured by making the paper exchangeable for a bond.

Calhoun's opinions on paper currency do not exactly coincide with those of the new party, but they cover almost every principle we assert. February 5, 1840, he said : " The present currency is incurably bad. It is impossible to give it solidity or stability." Again (September 19, 1839), he said :

" A paper currency, in some form, if not necessary, is almost indispensable in the financial and commercial operations of civilized and extensive communities. In many respects it has a vast superiority over a metallic currency, especially in great and extended transactions, by its greater cheapness, lightness, and the facility of determining the amount. . . . No convertible paper is suitable for currency ; " and March 22, 1838, he affirms the right of Congress to make and use paper-money.

The Greenback party maintains that gold is no trustworthy standard of value. During the rebellion, gold—measured by the prices of twenty of our great staples—varied more than any one of them did, except cotton, the cause of the war. Jevons, after measuring gold by the prices of more than a hundred other articles, says that from 1789 to 1809 gold fell 46 per cent. ; and from 1809 to 1849 gold rose 145 per cent., " rendering Government annuities and all fixed payments, extending over this period, almost two and one-half times as valuable as they were in 1809." From 1849 to 1875 gold has fallen, Jevons says, at least 20 per cent. Henry Fawcett (*Manual*) thinks gold has fallen, during the last twenty-five years, 25 per cent. Prof. Jevons further states that, between 1822 and 1825, gold fell 17 per cent. ; and between 1852 and 1857 gold fell 31 per cent.

Now, while gold has thus varied during the last ninety years, there is in England one commodity which never changes ; that is consols and shares in the Bank of England ; which practically are public funds, since they are in effect guaranteed by the nation. From 1789 to 1875, both inclusive, the average price of a consol was £81. If, as Jevons says, from 1809 to 1849 gold more than doubled in value, the consol never changed ; its average price,

those forty-one years, was just what it was before and after, that is £81. If, as Jevons and Fawcett say, since 1809 gold has fallen one-quarter, consols have not fallen; they have sold during those years at an average of £92. So, of the bank-shares, the interest on their selling price from 1789 to 1872 was the slightest trifle above 4 per cent. During the forty-one years (1809–1849) that Jevons says gold rose to double, the interest was just the slightest trifle below 4 per cent. (4.04 in one case, 3.94 in the other). During these last twenty-five years, when gold has fallen one-quarter, the interest on a bank share is 3.67 per cent.

It cannot be pretended that gold regulated, or held even ratio with these prices. Between 1797 and 1820 (twenty-four years, all paper) consols averaged £63½; and the interest received on the cost of a bank-share was 4.32 per cent. Between 1789 and 1808 (twenty years, half paper and half coin) consols averaged £65½; and bank interest was 4.17 per cent. Between 1811 and 1816 (five years) gold rose highest, averaging 30 per cent. above paper, yet consols averaged £62; and bank interest was 4.25 per cent. (Fenn's "Funds").

Now, let men explain the unchanging values of these stocks as they please, their unchanging value remains a fact. Remember what these last eighty-four years have done and seen—the French Revolution and Napoleon wars, Waterloo, paper-money, riots, famines, California, the Crimean War, the Franco-Prussian War, steam, the use of cotton, extension of the ballot, the telegraph, and our rebellion. Still through all, the ebb tide and the flood, the sunshine and the tempest, the funds of England have steadied with unchanging keel. What explains it? Their basis is a Government bond, at a low rate of interest, but *sure* as "death and the taxes." This unchanging relation of interest to the capital invested is the strong tie which prevents all variations in value.

Hence Greenbackers, taking note of this, propose to found our national currency on a Government bond, bearing a low rate of interest. Why should not our bond be as unvarying as that of England? She is encompassed by trouble and dangers, half a dozen warlike rivals, and constant risk of international complications. We have only one cloud on our horizon—the South; otherwise a clear sky, and the ocean for a wall of defense. Why

should not our bond be better than hers? Do you say a Democratic Government cannot be trusted as fully as a monarchy? Ricardo thought a free government could be better trusted to issue convertible paper-money than an arbitrary one.

But this fear of inflation does not daunt the Greenback party. They reason thus: the moment you leave simple barter and use representative money, symbols, that moment the power to inflate begins. This power must always reside somewhere in civilized states which have ceased to use barter. The only real question is *where* shall it be trusted? Under our present system it rests in the hands of bank directors. Ricardo and all other writers allow that those who increase and diminish, at their pleasure, the currency (not note currency merely, but discounts, checks, credits, notes, and coin) have the power to change prices at their will. To-day our bank directors have this power. The New York City banks increased this currency \$2,957,200 in one month, September, 1874, and decreased it \$5,000,000 in one week of March, 1875. They thus changed the value of every commodity in that city. To inflate in the same proportion, Congress must pour out and keep out \$50,000,000 a week.

We claim that the nature of our institutions justifies us in trusting this great power with the mass of business-men.

Bonamy Price asks: "How do we know how many hats to make? Somebody counts the heads. How do we know how many shoes to make? Somebody counts the feet." The Greenback men ask, "Who counts them?" Of course the business-men. So of currency. It is the business-men who can best decide how much, at any moment, is needed by forty million people.

They will keep it in the form of bonds, or draw it forth in greenbacks, as the hour dictates. They will decide, under this elastic system, how much currency is needed by a nation not rich, but widely scattered and marvelously busy; one whose harvests can feed the world, and her mines supply it with metal and coal; while rivers and mountains and thousands of miles divide prairie and seaport, plantation and spindle, mine and forge. Indeed, the greenback movement is a revolt against a system of finance which rests the power of inflation in the hands of a few hundred bank directors, and lets them play with values at their pleasure. This greenback movement, in its essence, is the assertion that,

when our fathers settled it that the people were competent to govern themselves, they meant to include among the points as to which they were competent, the question of finance, as well as marriage, crimes, real estate, wills, and other matters of government. The greenback movement is a revolt against the notion that, in ordinary matters, the people can govern themselves, but on questions of finance they must be kept under perpetual guardianship, and be the wards of rich men.

Men call this movement delusion and fanaticism. What is fanaticism? It is enthusiasm blinding judgment. It is prejudice—obstinately clinging to theories in spite of facts that disprove them. Let us ask, then, who to-day are the fanatics, judging by this rule. Look at facts, the world over. Whenever during the last century either of our great nations has seen its existence threatened by civil war or foreign assault, instantly that nation has run to the shelter of paper currency and generally been thus enabled to survive the storm. This is fact, not a dream. Does it prove that paper-money is necessarily ruin and shipwreck? Does it not rather look as if a paper currency had some quality in it that called forth to the last dollar the resources of a people, and so stimulated their energies that they could avail themselves of all their possible and hidden power? When a man strips to fight for his life, he puts himself in the condition and posture to do his best. When the nation girds herself for a last desperate struggle for existence, what does history tell us she has uniformly done? History tells us that a nation in such extremity has uniformly thrown off every incumbrance, stopped every drain on her resources, stimulated every possible power of production, economized all her means and guarded herself as carefully as possible from all foreign interference with her business prosperity. How has she secured and effected all this? History answers, "By resorting to a paper currency."

There need be no fear of communism. Capital and labor have no dividing line here. Like the colors on a dove's neck, they join and unite everywhere. We have mingled freely with working-men, and never yet met one who did not believe and proclaim that the interests of capital and labor were one.

Communism in Europe is the righteous and honorable resistance of a heart-broken and poverty-stricken people to a despotism

which flaunts its insolent and cruel rule in the faces of honest men. Communism there is evidence of life. When "order reigns in Warsaw," it is evidence of moral and spiritual death. We disown and denounce the attack on the German emperor. Assassination is not rebellion. It is the act of a coward, and does nothing but harm. But oppression, which maketh wise men mad, does not often teach the sufferer logic. God means that such unjust power shall be insecure, and every move of the giant, prostrate in chains, whether it be to lift a single dagger, or stir a city's revolt, is a lesson in justice. Every line in our history, every interest of civilization, bids us rejoice when the tyrant grows pale and the slave rebellious. Of course, every act by which ignorant violence injures its own cause is to be deplored; and we cannot but pity the suffering of any human being, however richly deserved. But we must not let regret for the first, or pity for the last, confuse our moral sense. Humanity gains. Chatham rejoiced that our fathers rebelled. For every single reason they alleged, Europe can bring forward twenty; each one twenty times bitterer than any Hancock and Adams could give. Sam Johnson's standing toast, in Oxford port, was, "Success to the first insurrection of slaves in Jamaica!" a sentiment which Southey echoed. "Eschew cant," said the old moralist; and, of all the cants that are canted in this canting world, though the cant of piety may be the worst, the cant of an American hypocrite bewailing European communism is the most disgusting.

But we have no communism here. The elements that breed it are not present here. Strikes are not communism. They are resistance to single specific wrong. A freemasonry of assassins, like the "Molly Maguires," is not communism. Labor disowns them. Pennsylvania, which breeds ignorance and then cheats it, which leaves boys all day in the bowels of the earth to grow up in ignorance into tools and voters, may expect to see her labor, like that of Europe, driven to the task at the point of the bayonet. But even she, un-American as she is, has no communism in her borders. Last summer, when the dark brood of dangerous men that usually skulks from the law surged into light, it showed itself only the *débris* of thieves and tramps, the scum of brothels and grog-shops. Baillie Nicol Jarvie's bulwark of order—something in the pocket and decent clothes—still stands us in hand. Three



fifths of Americans have something to lose, and half the rest hopes soon to have. The mass is uneasy because educated men betray and capital plots to rule them. "The capital of the country is organized at last, and we shall see whether Congress will dare to fly in its face"—this is the insolent tone of the press. If it did not stir indignation and provoke resistance, we might well despair of the republic.

The relations of labor and capital here are unlike those of other lands. When Webster said that political economy was not a science, he meant it was no absolute science. Fox thought so, and the best political economists describe it as a system of methods to be cautiously fitted to time and place. The Greenback party is trying, by successive and cautious trials, to develop an American system of finance. Its disciples are aware that in finance so many and such varied forces are at work that one might as well prophesy what form the kaleidoscope will take at any turn as prophesy the moneyed future. When Fessenden assumed the Treasury Department, confessing, "I know literally nothing about finance," he only confessed what McCulloch concealed, when "rushing in," as certain characters are said to do, he ruined a generation.

These relations of capital and labor are the angriest and the most important ones we have to deal with. Labor and capital are the tools civilization needs and uses. Both are to be protected. But labor, as it is human life, has the first claim. Out of the gross earnings of any business the first expense to be met is wages. Such wages as men can comfortably live on are first to be paid; then a safety-fund is to be provided for burdensome debts, in order that capital may be secured against risk or loss; what is left may be divided as dividend or profits to stockholders. What constitutes "such wages as men can comfortably live on?" Who shall settle and define the amount of these? This is the ground of the present quarrel, and peace will never come till this is settled. The employed have something to sell—it is labor. Men who have coal, metal, or corn to sell, do not let the buyer fix the price. The price is settled after mutual conference. The employed claim the same right of settling the price of what they have to sell (that is, labor) in the same way, that is, by mutual conference.

Corporations that employ a large number of working-men

should, from time to time, appoint a committee to meet a committee of working-men. Before such joint committee should be laid open all the details of the business. After mutual consultation such committee should decide the amount of wages to be paid. If they cannot agree, an umpire should be chosen to make the final decision. Such a method has been occasionally resorted to here, and for twenty years in England, with good results. Christianity dictates and sound political economy indorses such a procedure. How broad and sound must be, in years, the education gained by working-men acting on such committees and brought to the close, practical consideration of such large interests; acting, too, under such grave responsibilities! The effect has been very marked in England. Mr. Mundella, member of the House of Commons, assured us he had known instances where the working-men on such committees proposed even a greater reduction of wages than that named by the employers; declaring as the result of their examination that the corporation could not safely pay as large wages as it offered. This shows how acting under grave responsibility educates men, both morally and intellectually.

We have more than enough of the babble and chaff of "supply and demand." That is a political economy which forgets God, abolishes hearts, stomachs, and hot blood, and builds its world as children do, out of tin soldiers and blocks of wood. Here every man reads, votes, and carries arms. The physical force, the voting majority, and a large share of the intellectual ability, are in the possession of the employed. Hence such questions are far more complicated than in countries where despotism holds iron sway over disfranchised ignorance. Equally out of place and absurd is the argument that capital will only pay what it pleases, and labor must submit. That is slavery. The millions employed in mines, factories, and on railroads, have usually that one trade and no other; they cannot easily shift into other employments. Very few families of working-men have means, when turned out of work, to travel hundreds of miles in search of other employers; hence the majority of the employed are chained to one place and to one trade. Saying to such men, "You shall have no voice in fixing your own wages, and you shall take what is offered to you, or starve," is slavery. No

American will, or ought to submit to that. If the day ever comes when, by any means, Americans are obliged to submit permanently to that, a republic will here be impossible. The only just, safe, and lasting basis of peace is that which calls labor into conference, and allows it a full share in settling the rate of wages.

We abhor and denounce all violence, every assault on private right or property, on the liberty of the individual working-man, and above all on life. But these outbreaks are transient and exceptional. In spite of them every thoughtful man must rejoice that the laboring-men are awake, intelligent, and independent. We rejoice in the clear judgment which enables the working-man to discover the danger which threatens. We rejoice in his readiness to resist a state of affairs that degrades him, threatens to undermine republican institutions, and to condemn his children to want, ignorance, and dependence. It is one of the chief benefits of education, civilization, and progress, that they make, and are intended to make, such violations of right, such injustice and oppression, dangerous and almost impossible. The inevitable dangers (and there are inevitable dangers) which attend such injustice are enough to rouse the keenest anxiety of capitalists. That is spur enough to quicken their consent to do justice. We counsel working-men to frown on resorts to violence; it can only delay the remedy they seek. Let them rely on agitation, discussion, and on associations for mutual help and protection; but only such as discountenance violence and abstain from all interference with the rights and free action of individual workmen. Voters under a representative government, let them unite in political action, and appeal to the moral forces of the age. The necessities which underlie free institutions and the soundest maxims of political economy are their strong allies, and the conscience of mankind is on their side.

The duty of the Republican party is plain. It still holds within its lines all the elements which attract and deserve confidence; it still has the power to lead; only courage and decision are wanting. It should place itself at the head of the new movement. It cannot buy, but it can absorb, the new party. Plainly, now, the first duty is to take care for the material interests of the nation. If it were possible to rouse the public and begin at once a crusade to execute justice and save the Union, that, in this

crisis, would still be the first duty. Conflict of arms and bloodshed may, at any moment, reveal to blinded eyes this duty. But while this delusion of peace without purity, of peace not based on justice, lasts; while the South imagines the North a coward only because she is foolish, and the North accepts, in the South, a hypocrite for a brother, labor claims every ear and every hand.

Public opinion is too strong to be resisted; too wise to be long misled. The people, it has been said, do not see, they feel. They have felt the tyranny of a selfish system of finance which corrupted men by giving them free chance to steal. They are opening their eyes to detect its errors. Sure as the rising of the sun, and calmly as morn ripens to noonday, they will get ready for that keener battle which is impending—the battle for impartial liberty and equality before the law.

The white South hates universal suffrage; the so-called cultivated North distrusts it. Journal and college, social science convention, and the pulpit, discuss the propriety of restraining it. Timid scholars tell their dread of it. Evarts and his committee, appointed to inquire why the New York City government is a failure, were not wise enough, or did not dare to point out the real cause, the tyranny of that tool of the demagogue—the corner grog-shop; but they advise taking away the ballot from the poor citizen. No wonder the humbler class looks on the whole scene with alarm. They see their dearest right in peril. When the easy class conspires to steal, what wonder the humbler class draws together to defend itself! True, universal suffrage is a terrible power; and with all the great cities brought into subjection to the dangerous classes by grog, and Congress sitting to register the decrees of capital, both sides may well dread the next move. No doubt universal suffrage endangers peace and threatens property. But there is something more valuable than wealth, there is something more sacred than peace. As Humboldt says, “The finest fruit earth holds up to its Maker is a man.” To ripen, lift, and educate man is the first duty. Trade, law, learning, science, and religion, are only the scaffolding wherewith to build a man. Despotism looks down into a poor man’s cradle, and knows it can crush resistance and curb ill-will. Democracy sees the ballot in that baby-hand, and selfishness bids her put integrity on one side of those baby footsteps and intelligence on

the other, lest her own hearth be in peril. Thank God for his method of taking bonds of wealth and culture to share all their blessings with the humblest soul he gives to their keeping! The American should cherish as serene a faith as his fathers had. Instead of seeking a coward safety by battenning down the hatches and putting men back into chains, he should recognize that God places him in this peril that he may work out a noble security by concentrating all moral forces to lift this weak, rotting, and dangerous mass into sunlight and health. The fathers touched their highest level when with stout-hearted and serene faith they trusted God that it was safe to leave men with all the rights he gave them. Let us be worthy of their blood, and save this sheet-anchor of the race—universal suffrage, God's church, God's school, God's method of gently binding men into Commonwealths in order that they may at last melt into brothers.

WENDELL PHILLIPS.